

Central Intelligence Agency



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DIRECTORATE OF INTELLIGENCE

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Key Chinese BIT Policymakers [redacted]

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Summary

Chinese decisionmaking on Bilateral Investment Treaty (BIT) policy is centralized. The key actors involved are described below. Most of China's economic policymakers favor a BIT with the United States, but they are not likely to grant significant concessions to get one. Those policymakers probably do not believe that a signed BIT would trigger a dramatic increase in US investment, though a BIT could have political value to them by enhancing the credibility of China's economic reform. There is no evidence indicating a sense of urgency on this matter. At present, most of the leadership consider a BIT to be only marginally worthwhile. [redacted]

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Zhao Ziyang

Premier Zhao ranks fourth in the Chinese Communist Party hierarchy, and is China's highest administrative authority on economic affairs. Zhao is a strong supporter of domestic economic reform (i.e., limited free market policies). He is China's most

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visible spokesman for economic development, and undoubtedly favors a BIT with the United States if the terms are satisfactory. A signed BIT is not likely to be one of his top priorities, however. [redacted]

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Chen Yun

Former Vice Premier Chen is a long-time member of China's ruling elite, and was a principal architect of China's economic development strategy. Chen is a relatively orthodox Communist thinker who favors a planned economy and recentralization of decisionmaking. He has resisted Deng Xiaoping's more liberal reform policies, and probably does not believe that a BIT is an important factor in China's development. [redacted]

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Gu Mu

Formerly Vice Premier, and now State Councilor, Gu is responsible for foreign investment and trade. Gu is a pragmatist with economic expertise, and he favors the decentralization of foreign trade management. Gu is in charge of the Special Economic Zones and has free market tendencies. He probably favors a BIT. [redacted]

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Chen Muhua

State Councilor Chen was the former head of the Ministry of Foreign Economic Relations and Trade (MOFERT), and became the president of the People's Bank of China in March 1985. Chen is a Marxist ideologue with strong ties to more orthodox members of the Chinese leadership who harbor reservations about increasing contacts with the West. She favors recentralizing the foreign trade process. She may be unenthusiastic about reaching agreement on a BIT with the United States. [redacted]

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Tian Jiyun

Vice Premier Tian is a protege of Premier Zhao Ziyang. Tian is an outspoken supporter of economic reform and the development of free market mechanisms within China. He is the youngest of China's four vice premiers, and thus has little influence in high government councils. He probably favors a BIT. [redacted]

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Zheng Tuobin

Minister Zheng succeeded Chen Muhua as the head of MOFERT in March 1985. Zheng is a specialist in foreign trade. He is part of the reformist faction in China, but has ties to more conservative leaders committed to a planned economy. He probably favors a BIT. [redacted]

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Yuan Zhenmin

Yuan is the Director of the Department of Treaty and Law, MOFERT. Yuan is the direct superior of Liu Chu. He probably does not make BIT policy.

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Liu Chu

Liu is the principal Chinese negotiator in the BIT talks with the United States. Liu is a specialist in international law. He does not make BIT policy, and has very little autonomy and flexibility in negotiating the major provisions.

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The BIT policymaking hierarchy probably follows this diagram:



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